

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

13 October 2009

Report of the Director of Finance

Part 1- Public

Matters for Information

1 STATEMENT OF ACCOUNTS 2008/09

To inform Members of the outcome of the audit of the Council's Accounts for 2008/09.

1.1 Statement of Accounts 2008/09

- 1.1.1 I am pleased to report that there was no material changes required to the Accounts following the audit, although some minor technical and textual amendments have been made.
- 1.1.2 For completeness, the Chairman of the General Purposes Committee re-signed the Accounts at the meeting on 7 September 2009 and the District Auditor issued an unqualified opinion on 16 September 2009.
- 1.1.3 Since only minor changes have been made to the Accounts following the audit, I do not propose circulating copies of the audited Accounts to all Members. A copy of the Statement of Accounts for 2008/09 will be placed in the Members' library and is also available on the Council's website at:

http://www.tmbc.gov.uk/assets/finance/Statement_of_Accounts_0809.pdf

- 1.1.4 In addition we have prepared a Summary Statement of Accounts document for publication; copies of which will be placed in the Members' library and is also available on the Council's website at:

http://www.tmbc.gov.uk/assets/finance/Summary_of_Accounts_0809.pdf

1.2 Annual Governance Report 2008/09

- 1.2.1 Our External Auditor (the District Auditor) is required by the Audit Commission's statutory Code of Practice for Local Government bodies to issue a report to those charged with governance covering, amongst other things, the outcome of the audit of the Accounts.

1.2.2 Under the Council's constitutional arrangements the Annual Governance Report for 2008/09 **[Annex 1]** was presented to the meeting of the General Purposes Committee on 7 September.

1.2.3 The following three recommendations were made by the Audit Commission in the report:

- 1) Depreciation should not be charged on investment properties where this is inconsistent with SORP guidance.

SORP guidance will be followed for the 2009/10 accounts.

- 2) The Council should ensure that the annual national non-domestic rate (NNDR 3) return reconciles to underlying records.

Relevant balances to be adjusted in 2009/10.

- 3) The basis for calculating the NNDR bad debt provision should be reviewed for 2009/10.

Basis for calculating the provision will be reviewed in 2009/10.

1.2.4 The General Purposes Committee at its meeting on 7 September endorsed and approved the Annual Governance Report for 2008/09.

1.3 Legal Implications

1.3.1 There are a number of legislative requirements to consider in the preparation and publication of the Statement of Accounts that have been addressed as we moved through the closedown process.

1.4 Financial and Value for Money Considerations

1.4.1 The cost of the work carried out by the District Auditor was as notified to us in the 2008/09 Audit Plan.

1.5 Risk Assessment

1.5.1 The Statement of Accounts is a statutory document and, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescale could adversely affect the Council's Use of Resources assessment.

Background papers:

Nil

contact: Neil Lawley
Paul Worden

Sharon Shelton
Director of Finance